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UNITED STATES.

THE PROMOTION OF AMERICAN COMMERCE;

HOW TO MAKE THE MONROE DOCTRINE EFFECTIVE;

THE EXTINGUISHMENT OF THE NATIONAL DEBT IN A FEW YEARS, &c., &c.

BY GEN. CARLOS BUTTERFIELD.

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TO THE GOVERNMENT AND PEOPLE OF THE UNITED STATES AND TO THOSE OF SPANISH-AMERICA, THE FOLLOWING PAGES ARE RESPECTFULLY SUBMITTED:

The political power of this country resides in the people. All questions, therefore, of general interest are here referred for decision to the "collective wisdom" of the nation.

Whoever may seem to lead the public mind in any great movement is virtually an organ, and his thought an inspiration of the popular will.

For nearly half a century the question discussed in the following pages has occupied the attention of our statesmen, and on several occasions has been gravely considered by the Government. Again and again postponed, it has recurred, and will continue to recur until the body of the people shall be aroused to the wisdom and necessity of finally disposing of it.

Brought prominently to notice by recent events, its importance seems now to be more generally recognized. From the close of our late war to the present hour, thinking men have been seeking the best remedy for the acknowledged evil of European intervention in American affairs, and for the deterioration of American commerce. The Spanish-American States, under the pressure of a more immediate interest and anxiety, are also enquiring: "How shall we secure to ourselves the blessings of future peace, commercial prosperity and exemption from European interference?"

Now, therefore, as if from a common sense of wrong and of danger, and with a common purpose to complete the work of American independence continentally considered, the Brotherhood of Nations in the New World are earnestly

moving toward the settlement of the question upon principles of reciprocal advantage to the American Powers.

The co-operative system of international relations between the independent States of America herein indicated, if fully carried out, will, it is confidently believed, prove a solution of the difficulty, and embrace other great and desirable results, as follows:

First—The security of the independent States of this Continent against European intrigue and intervention, and of the colonies here established against any change of dominion, except by transfer to some American Power or by the achievement of their independence.

Second—A stable government in each of the Spanish-American States, and permanent peace among themselves and with all other nations.

Third—The rapid development of the vast resources of the Spanish-American States, and the diversion of their immense foreign trade, thus augmented, into the ports of the United States; and, as one of the fruits of that profitable trade, the payment in a few years of our National debt.

All this in the interest of peace, directly productive of the largest benefits to the people of the countries more immediately concerned; and incidentally promoting the welfare of mankind throughout the world

The facts adduced in support of the plan herein suggested are from the most trustworthy sources, and the data whereon estimates of commercial results are founded, may, in the main, be verified by statistics compiled under the direction of the United States Government, or by the *Balances Générales* of universal authority.

The Spanish-American States comprise the richest portion of this Continent, and yet their native wealth, in the main, lies dormant, owing to revolutions, begun with their war for independence and continued, with brief intervals of peace, to the present time. Unfortunately the legacy left them by the despotism overthrown by their arms, was far different from

that preparation for self-government with which we assumed a place among the nations.

We had received from tradition, and practised in our local legislation, principles unknown to their colonial system. We had prescriptive rights, and our obedience was due to laws of our own enactment, or binding equally the colonies and the mother country.

The Spanish-American States enjoyed, at best, only privileges granted and withdrawn at the pleasure of the Crown, or of corrupt Viceroys, and creating monopolies in the hands of a few, oppressive to the mass of the people; the obedience demanded of them being unquestioning submission to arbitrary authority. Hence, they had to learn by experience the self-control and practical statesmanship which were our birthright. Besides, they have always had in their midst factions representing the old monopolists and Court favorites, secretly exciting discontent, and ever ready to betray them for a price, as was done not long since in the case of Mexico.

In the absence of security to person and property, they have not only failed to derive from immigration and the natural increase of their population the benefits which have so richly endowed us; but the labor among them wanted incentive, while their capital lacked exemption from hazard —both matters indispensable for their most productive employment. Yet their populations have largely increased since they gained their independence.

The people of those countries, taught by experience, and observing attentively the progress of the United States, have learned that the foundation of National prosperity must be laid in a stable government, changing its functionaries only by the will of the people, according to its organic law.

Convinced that necessity demands they should secure themselves against both domestic strife and foreign aggression, and thus be enabled to invite immigration, and develop those vast regions of incalculable wealth lying within their domain, and confident of their ability, with the requisite moral influence, to maintain the governments they have established, and under them to reach a high degree of prosperity, they look to the

United States, who, by a seasonable recognition, helped them to achieve their independence, for moral support to confirm it to their posterity.

They confidently look to the friendly Power who, after acknowledging their National existence, once saved them from re-conquest, to avert any danger threatening them from the same quarter.

They are our neighbors—members of the American family of nations—and, as such, have our sympathy, and are entitled to our good offices.

The revolutions that freed them from bondage were inspired by our successful struggle, and the governments they framed, and are yet striving to uphold, were, many of them, modelled after our own.

To extend to them proper encouragement, would be to honor the example and give effect to the purpose of our fathers, whose tacit promise of continued friendship we should thus redeem, and at the same time gracefully discharge the obligation devolving on us as the leading nation on this Continent. Our duty in this respect becomes imperative, moreover, from the fact, that great benefits will accrue to us if we pursue the course herein indicated.

There is, too, a political consideration of momentous importance which has, from time to time, formed matter of grave deliberation and concern with our government, and demands the earnest attention of the people. It has long been a cherished purpose among the nations of Western Europe to divide and weaken the United States, whose great and growing power filled them with jealousy and alarm. Those of us who before doubted the fact have been convinced of it by the conduct of some of those Powers during our late civil war. Within the last few years we have seen an attempt, by armed intervention, to subvert the authority and control the internal affairs of a neighboring Republic, and on its ruins to erect a so-called Empire, essentially of European institution, and evidently to serve European aims.

The plan concerted, and yet to be fully executed, if permitted by our Government, was, after the conquest of

Mexico and the consolidation of the new Empire, to take possession, one by one, of all the other independent Spanish-American States, and, under various pretexts and counterfeit tokens of popular consent, to parcel them out among the several parties to this European enterprise, the aim of which was nothing less than to obtain and wield the controlling power and influence—both political and commercial—of all America. The course pursued by Spain, after her withdrawal from the Mexican adventure, was strongly indicative of the tacit understanding, as to that Power, with the covert design herein charged, she having declared war against others of the States, once her Colonies, upon more trivial grounds of difference than existed between her and Mexico.

Such is the condition of affairs, that the United States have either to become the keystone of the arch of Spanish-American independence, or eventually consent to the establishment upon our Continent of Monarchical governments against the will and despite the protest of the people. If we embrace the latter alternative, it will be a departure from the policy we originated, and from which we have never deviated in our intercourse with other nations—namely, to recognize all governments emanating from the people, inquiring only as to the fact of their domestic origin.

Now, as we are desirous of preserving amicable relations with the European Powers, the question arises, what should be our course towards the independent South and Central-American States, so as to encourage them in maintaining the governments we recognize.

This desirable end may be attained, in accordance with the wish of the Spanish-American States, by an arrangement tending greatly to our security and aggrandizement, while at the same time it is in strict conformity with our general foreign policy, and violates no principle of International Law.

The suggestion about to be made is of no novel National policy, but simply a practical method of making efficient, without war, that wise American policy discerned by some of the Fathers of the Republic with prophetic eye, and proclaimed by President Monroe, with the approval of the

author of our Declaration of Independence, as the position then assumed, and to be maintained for all future time, by this country, in reference to European interference in the internal affairs of independent States, and as to attempted transfers of colonial possessions on this Continent.

The popular instinct, which is simply that of self-preservation, now indorses this theory of our Government with remarkable firmness and unanimity, our people being undecided only as to the means of carrying out the policy of non-intervention without entangling the United States with any European Power.

A majority of the Spanish-American States, if assured of the approval and moral support of their purpose on the part of our Government, are willing to form an alliance among themselves for mutual protection against both internal revolution and European aggression, stipulating that, in future, any difference or misunderstanding between any of the contracting parties shall be referred for settlement to an umpire to be chosen from among the American States. Meantime, upon the joint invitation of a majority of the Spanish-American States, presented to our Government by their representatives, a convention may be entered into of a different character, not involving domestic interference, but having for its object the enforcement of our continental policy ; the United States engaging to recognize no government on this Continent, the establishment of which shall be attempted by European intervention—all the American Powers embraced in the convention agreeing to make common cause against any Power or combination of Powers actually undertaking the subversion or control of any independent American government now, or hereafter to be, established. All parties to this convention will engage to resist changes in the National dominion over any of the European colonies in America, unless it be by transfer to some American power, or through the achievement by such colonies of their independence. The Spanish-American States, parties to this understanding, further agreeing that the United States shall have, over all nations not domiciled

in America, every advantage in trade and intercourse consistent with existing treaties. This would bind us only to maintain the position we have already, of our own motion, assumed.

It is evident that such an arrangement would make a revolution impracticable in any of those Spanish American States; for no ambitious leader would dare attempt to overthrow the legitimate government, if it could command the aid of one or more of the neighboring States. Hence, as a result of moral influence, without the exercise of physical force, those countries would settle down in a state of peace and prosperity.

Through a liberal commercial system and inducements to immigration—such, for example, as already, much to her advantage, Brazil has inangurated—their genial and varied climates and great natural resources would largely attract labor, capital and enterprise from abroad, to result in such and so rapid a development, as at an early day to produce unexampled prosperity and an immense foreign trade, the greater share of which, with due encouragement from our Government and appropriate facilities for communication, would be enjoyed by the United States. The increase of our commerce, from this source, would defy all calculation. Nor would the political effect of the proposed arrangement, once made and promulgated, be less important or less desirable. We would thereby restore and make permanent the peace of this hemisphere, and earn the gratitude of mankind by bringing to naught the effort to introduce a new element of discord, and beget a war of races, in countries designed by Providence for the reconciliation and common possession of all the races. Unless the counsels and aims of narrow interests shall prevail over the doctrine that the rights of the people are to be preferred to the privileges of any class assuming to govern without authority from the governed, America will be the peaceful home of all kindreds, creeds and tongues, who may, in their several communities, cultivate the arts, amenities and intercourse of a high state of civilization, with honest

rivalry, but without dissensions because of difference in origin, in religion, or in their forms of government.

With a view to the large benefits thence to arise, as well as the common danger to which we are exposed, a wise forecast, it would seem, should prompt all the independent American States to strengthen their position, and prepare the way for future prosperity, not only by harmonious action in a temporary emergency, but by drawing together in closer connection the remoter parts of all the countries concerned, through regular and frequent ocean mail steam communication and a net-work of railways and telegraph lines, which would insure both the rapid conveyance of intelligence and a profitable interchange of commodities.

The natural result of the adoption of the proposed arrangement would be more advantageous to our people than is apparent to those who have not carefully estimated the prospective increase of our commercial and manufacturing interests, when stimulated and fed by the mobilized resources of an immense territory of surpassing fertility and inexhaustible mineral wealth, wherewith our present trade is as nothing in comparison with its capacity for augmentation. It would soon relieve the country from the burden of taxation and high prices, for it would enable the Government to pay off the National debt in a few years, leaving the country with the vast wealth of all America still flowing into its ports and enriching its Treasury.

And thus the important question of taxation enters prominently into the subject. Every addition to the national wealth lightens the national burden. Every step toward the extension of our foreign trade is an advance toward the reduction of public indebtedness, and the consequent direct relief of every individual in the community from the pressure of onerous taxation, now so severely felt by all classes. An influx of foreign products brings with it a corresponding revenue, while the stimulus given to trade in various directions, by increased imports, and the advantages afforded by new markets for our exports, cannot be over-estimated.

It would seem superfluous to discuss the importance to our shipping interest of a valuable trade with Spanish-America. It is proposed to show, however, by the briefest possible estimate, founded upon official statistics, the probable and almost certain growth of our foreign commerce, and consequent increase of revenue to flow from this arrangement, if made effective in its commercial as well as its political aspect.

The Spanish-American States have a population of 35 millions, one-sixth greater than ours, in 1860, and an area of 7,500,000 square miles, two and a half times that of the United States before the acquisition of Alaska. The annual value of their imports is about $240,000,000; of their exports something like $263,000,000—a total foreign trade of about $503,000,000. The share of this five hundred millions of commerce now enjoyed by the United States is only about $114,000,000, although every article we produce or manufacture is consumed by those people, and we consume or could manufacture and return to them for their use almost every commodity they export. It is a mooted question with some as to whether we can compete with European manufacturers in the production of certain classes of cotton and other fabrics which form an important item of the imports into Spanish-America. We think we can satisfy the most skeptical on that point, and demonstrate the fact that we are able, not only to compete with Europe, but, if the plan herein suggested be adopted, we can control that branch of trade with those countries in less than four years. Up to 1860, Great Britain had nearly $83,000,000 more of this trade than we had. Her proportion of it is now much larger. The value of the imports into Chili in 1864, was, by official statistics, $18,867,363. Of this, England exported 43 per cent., France 20, the United States but 5 per cent. Nearly $5,000,000 of these imports consisted of products and manufactures in which we excel the rest of the world, and yet we furnished but ten per cent. of them. In the South Pacific coasting trade, of which we should have a large share, it seems we participate to a very small extent,

and by sailing vessels only. The English have on that coast at the present time some thirty steamers tapping the commerce of those vast and productive countries, at every point from Panama to Cape Horn, whereas the United States mercantile marine is not represented by one ! ! ! A similar humiliating state of affairs for us exists on the Atlantic Coast of Spanish-America. The English have steamers touching regularly at every available port on that coast, carrying off the precious metals and other rich products of those countries before our very eyes, which trade we might monopolize if we pursued the same commercial policy, and had the same governmental support that Great Britain extends to private enterprise in developing the commerce of the world for its own advantage. Official statistics inform us that, compared with 1860, our domestic exports for 1867 have fallen off nearly 39 millions of dollars, or over 10 per cent. During the same period the domestic exports of the United Kingdom have increased 237 millions of dollars, or 30 per cent., and those of France (proper), 226.2 millions, or over 43 per cent. Whatever have been the causes that have enabled Great Britain and France to outstrip us in their foreign commerce, it would seem that now no means should be neglected that will tend to at least restore our lost position. France has now double the amount of exports that we have; the United Kingdom three times the amount; and when it is remembered, not alone in its commercial, but in its social and political aspect, what an important agent international commerce has become in the diffusion of intelligence and capital, and in the consequent promotion of peace and happiness, the suggestion derives new force, and demands that it be regarded with more than passing attention. It may not be out of place to add here a brief statement of the past and present condition of our mercantile tonnage.

At the National Commercial Convention, held in Boston in February, 1868, the Hon. E. S. Tobey, of that city, chairman of the Committee on Foreign and Domestic Commerce, made a report, on behalf of that Committee, from which we give extracts below. Mr. Tobey is a gentleman whose renown

for business enterprise is world-wide, and his efforts on behalf of American commerce have been as great as, if not greater than, those of any other American citizen.

The committee and the convention at large were composed of gentlemen of eminent business capacity, drawn from all sections of the Union, whose interests are almost entirely bound up in the success of our commerce, and who, probably, more than any other men in the country, were fully able to judge of the disastrous effects that had resulted to the nation in consequence of the deterioration of our commercial advantages.*

The unanimous adoption of the report by this body of gentlemen is better corroboration of the position we have assumed than any statement of our own can possibly be. The report quotes from the official report of the Secretary of the Treasury of the United States as follows :

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* The following delegates composed the Committee on Foreign and Domestic Commerce :—Edward S. Tobey, Board of Trade, Boston; James McMartin, Board of Trade, Albany; N. G. Hichborn, Shipbuilders' Association, Augusta; William D. Sewall, Board of Trade, Bath. Avery Plummer, Corn Exchange, Boston; Israel T. Hatch, Board of Trade, Buffalo; B. F. Culver, Board of Trade, Chicago; Robert Hosea, Chamber of Commerce, Cincinnati; A Hughes, Board of Trade, Cleveland; George B. Dickinson, Board of Trade, Detroit; John B. Green, Board of Trade, Louisville; M. B. Medbury, Chamber of Commerce, Milwaukie; S. D. Babcock, Chamber of Commerce, New York; John H. Boynton, Produce Exchange, New York; D. W. C. Brown, Board of Trade, Ogdensburg; D. G. Fort, Board of Trade, Oswego; George N. Tatham, Board of Trade, Philadelphia; Seneca E. Malone. Commercial Exchange, Philadelphia; Felix R. Brunot, Board of Trade, Pittsburg; M. N. Rich, Board of Trade, Portland; John C. Osgood, Board of Trade, Salem; N. M. Warne, Board of Trade, St. Louis; M. W. Sandford, Union Merchants' Exchange, St. Louis; Joseph A. Wheelock, Board of Trade, St. Paul; John B. Carson, Board of Trade, Toledo; James Forsyth, Board of Trade, Troy; Francis Barry, Board of Trade, Wilmington. The Officers of this Convention were : E. W. Fox, Esq., of St. Louis, President, and the following named gentlemen Secretaries : Hamilton A. Hill, Boston; John F. Beaty, Chicago; Jason Parker, Buffalo; Thomas Allman, Philadelphia; J. G. Sage, Cleveland; Edward Betts, Wilmington.

"SUMMARY OF TONNAGE ENTERING BRITISH PORTS.

	In 1859.	In 1863.
"British,	5,388,953	7,299,417
"All foreign,	3,700,597	3,838,529
"United States,	1,077,948	692,337

"The increase of British is near 2,000,000 tons, while that of the United States declines 385,611 tons in five years. A still greater decline is apparent when the maximum year, 1861, is compared with 1863, the first giving a total of 1,647,076 tons, and the decline to 1863 being therefore 954,739 tons. This decline is undoubtedly due to the immense number of American vessels sold abroad in 1861, 1862 and 1863, the great majority of which were purchased by the British.

"*Thus the increase of steam-vessels, which is wholly foreign, combines with the loss of the magnificent fleet of sailing ships, long the pride of the United States commerce, to expel the United States flag from the chief centres of foreign commerce.*"

"Another striking illustration of the effect of steam commerce on export trade," remarks Mr. Tobey, "may be found in the experience of England, in establishing a line of steamships from there to Brazil in 1851. In five years from that date the trade with that country increased three hundred per cent. Earl Grey is said to have remarked that swift letters bring back swift orders for manufactured goods."

After remarking as to the injury inflicted on the shipbuilding portions of the country, in consequence of the lack of demand for vessels, Mr. Tobey continues:

"The decline of our commerce is an admitted fact, and must be obvious to all. As to the means by which it shall be restored, different opinions doubtless exist. Your Committee, however, assume that the legislation and policy of England, which, for nearly forty years, has been undeviatingly followed with great advantage, not only by liberal encouragement to steam commerce, but *by the remission of duties on all articles entering into the construction of her vessels of any class, and still further by allowing her vessels to be supplied with tea, coffee, sugar, and, indeed, all articles required on shipboard, by being taken out of bonded warehouse, duty free, while at the same time exactly the opposite policy has been pursued by the*

Government of the United States, should furnish us with a clear precedent in this matter."

According to official statistics, our merchant marine only amounts, at the present time, to 3,419,502 tons, whereas in 1860 we had 5,353,868 tons, which shows a loss in eight years of about 1,900,000 tons. In that period England gained 5,000,000 tons—that is, her tonnage increased from 4,000,000 to 9,000,000.

The mercantile marine of France grew in that time from 1,500,000 to 3,000,000 tons. This shows that the tonnage of England has more than doubled, and that of France about doubled, whereas that of the United States has declined more than one-third. It would therefore seem that the time has arrived when our Government, merchants, and capitalists should begin to ponder over these humiliating facts and do something for the restoration of our commercial interests, and particularly with our neighboring Republics.

The *Charleston Mercury* of October 31, 1868, contains the following notice of the arrival at that port of the British steamer "Golden Horn":

"At an early hour yesterday morning this splendid steamer crossed the Bar and steamed up to the city, presenting an imposing appearance. And well she might; for no such vessel, as regards size and cost, has ever before come to our ancient city," etc., etc., etc.

This is the pioneer steamer of a line to be established between England and Charleston, the object of which is to relieve American vessels from the carrying trade of that section of the United States. It would not surprise us to see lines of British steamers established with several, if not all, the principal ports of the South, thus completing the work, long since begun, of assuming control of our carrying trade. Meanwhile our own ships are idle. Unless measures for the protection and encouragement of our shipping interests be speedily adopted, we shall find our commerce controlled by England, as is that of Spanish-America, and our shipbuilders will be forced to abandon their vocation, Our ship-owners,

too, will have presented them the alternative of allowing their vessels to rot at the docks, or of placing them under the British flag. The law of England now offers no impediment to the purchase by British merchants of foreign-built vessels, or to their navigation by crews of foreign birth. Two acts of Parliament passed during the reign of the present Queen having swept away the restraints upon commerce which are yet imposed by our laws, Great Britain is now in a position to command the labor and to employ the capital of the world.

In striking contrast with the course pursued by our Government toward our shipping interests has been the wise and liberal policy to which the country is indebted for the Union Pacific Railroad. This great national enterprise will be one of the most powerful agents in the fulfillment of our mission to ally the interests of the different countries of the whole American Continent as those of one great free commercial people. But to accomplish that great and end, we ~~desirable~~ must imitate to a certain extent the policy of Great Britain, with a view to secure and control the commerce of those countries for ourselves.

Great Britain has, as one of its commercial measures, special commissioners, or agents, constantly travelling in almost every part of the habitable globe, investigating and reporting on the present and probable future commercial resources of the countries they visit. This serves that Government as the initial point for its far-sighted commercial policy. For example: A commissioner from some part of the coast of Africa reports, that at a certain point, where little or no trade actually exists, a large trade might be created were the proper facilities for communication provided. The Government forthwith awards a subsidy of several hundred pounds sterling, for the establishment of a line of steamers to that point, and, within three or five years, it realizes from 20 to 30 per cent. from the investment of such subsidy. In view of the well-known advantages accruing to the commercial and financial interests of England from this

policy, it would seem to be wisdom on the part of the United States to adopt measures tending to the same result.

With the completion of the Union Pacific Railroad, which will be within a year, and the consummation of the policy herein suggested, there would be established in a short time lines of steamers between San Francisco and the different South-American ports on the Pacific Coast, which would soon draw off the trade now enjoyed by Europe to our own ports. This would afford the means of extending our natural protection to the weaker neighboring Republics, a measure tending not only to our commercial advantage, but also to the perpetuity of republican institutions throughout the Western Hemisphere.

The late disruption of the Spanish monarchy, it must also be borne in mind, will necessarily have an influence on the future of Cuba. This question is one which, whether considered in its political or commercial bearing, eminently deserves the gravest consideration of the Government and people of the United States. Whether that island is to be an independent Republic, or whether it is to join its fortunes with ours, is a problem as yet unsolved. It is plain, however, that, considering the vastness of our national interests involved in the proper solution of this important question, it behooves the American Government to take such prompt and decisive measures as shall secure to the United States all the benefits that may naturally accrue from intimate commercial relations with that country, let its *status* in the future be whatever it may.

The foreign trade of England and France has been rapidly increased within the last eight years. From the reports of the British Board of Trade we learn that the foreign exports of Great Britain last year amounted to over six hundred millions of dollars, which, though a falling off from the previous year, vastly exceeds ours. But, in addition to this amount, the exports to the colonies reached about a hundred and twenty millions. The foreign imports for the same period were over five hundred and thirty millions, and the colonial

over a hundred millions. The foreign imports and exports of France approach those of England. The Paris *Temps* says that during the first half of the present year France has imported merchandise to the amount of 1,738,000,000 francs, or about three hundred and forty millions of dollars. This is at the rate of six hundred and eighty millions a year.

Commenting upon these facts, the New York *Herald* very appropriately says :

"The question arises, how is it that the United States, which have a population larger than that of Great Britain, and nearly if not quite as large as that of France, and greater resources than both, are so far behind these countries in foreign commerce? Why, the surplus of our cotton and gold crops which we export amounts to two or three hundred millions a year, to say nothing of tobacco, rice, wheat, corn and other productions. No country is so favorably situated for commerce with the rest of the world, and none has such resources or a more enterprising population ; yet we are far behind in the race. This should not be. There is something wrong, evidently, in our laws and in the manner in which Congress legislates with regard to commercial interests. Nothing should be left undone to promote the commerce of the country and to bring it up to that of Great Britain and France. This ought to be the first commercial nation on the globe, and doubtless will be at no distant day ; but that period may be deferred by bad legislation, and, in the meantime, we may lose much by neglecting this great interest and the opportunities we possess."

These arguments apply with remarkable force to the trade which we ought to have, but, unfortunately, have not possessed ourselves of, with Spanish-America.

One of the great articles of export from Spanish-America is specie and bullion, five-eighths of which now go into European coffers. There is no reason why seven-eighths of it should not come to the United States, and it certainly would if a wise commercial policy with those countries were pursued and governmental support extended to private enterprise, so as to make such policy effective. Undoubtedly, the most natural channel for the outflow of specie, as well

as of all the other products of Spanish-America, is that which leads to the United States.

The ability of the Spanish-American States to sustain a much larger foreign trade, is shown by the results already attained in some of them ; for in natural resources they are all nearly equal. The foreign commerce of Cuba is 300 per cent. greater than ours, in proportion to population ; that of Chili 30 per cent. greater ; that of Brazil nearly equals our own in the same ratio.

The Government of Brazil, in the scope and liberality of its commercial system and the re-inforcement of all branches of internal trade and industry it has introduced and is laboring to perfect, through encouragement to immigrants, and the beginning of an extensive steam commercial marine, will soon have a largely increased foreign trade and a greatly enhanced prosperity, as is evident from the stimulus already imparted to private enterprise and the effect in growth of population and general business.

Nothing but the want of tranquility, and the absence of the means of communication, prevent the trade of any of those countries from equaling per capita the present trade of Cuba, which last has by no means attained the maximum of its capacity. With proper facilities for intercourse, there is no reason why their commerce with the United States should not within ten years amount to $1,000,000,000 per annum.

In 1850 United States' steamers commenced touching regularly at Havana. Our total trade with Cuba for that year was $15,282,625. For the year ending, June 30, 1858, to which it had grown gradually but rapidly through the preceding years, it was $41,648,037, an annual increase in eight years of over $26,000,000. (Butterfield's United States and Mexico, pp. 50, 51.) The value of her exports to the United States was, for that year, $27,214,846. In 1867 it had increased to $39,324,765—her population being about 1,500,000, and her trade with the United States over $53,000,000.

The annual value of our commerce with all Spanish-America, increased in the same ratio, would be over $1,219,000,000. Of this sum, taking the exports of Cuba to this country as the basis of calculation, the annual value of their exports to the United States would be $598,000,000.

The annual yield of the silver mines of Mexico might easily be made to exceed in value the gold product of California, its control secured and its benefits enjoyed by the United States. The interchange of trade between the United States and Mexico alone, increased in proportion to population, to what it now is with Cuba, would be about $282,000,000 per annum.

The receipts from Customs on $598,000,000, the estimated annual value of our imports from all of the Spanish-American States, after the establishment of the intercourse contemplated by this plan, taking for our basis the average rate of duty, about thirty-one per cent., would be $185,380,000. But suppose the duty be increased to forty per cent, as it probably will be, this trade would yield from Customs $239,200,000 per annum. But allowing for undutiable goods, the odd $9,200,000, and much less would suffice, we find that, without increase of population, we would derive from this trade, in ten years, $2,300,000,000, or within $235,614,313 of the amount of our National Debt, according to the estimate on the 1st of September, 1868—$2,535,614,313. Allowing four years, and less time would be needed, to perfect the working of the system, the debt could be discharged in sixteen years without considering the effect of each annual contribution in paying off maturing bonds. No small benefit would thence enure to the people, in lessening the interest to be met by internal revenue, for it would make practicable a gradual and rapid reduction of the direct tax. The Internal Revenue will pay the interest on the debt. The duties on imports from other countries at the present rate ought to defray the current expenses of our Government. So that the duties on our imports from the Spanish-American States may be wholly applied toward the payment of the debt.

It may be objected to this argument that our trade with Cuba is exceptional—her exports to us largely exceeding ours to her. But any apparent unfairness in the estimate is not real. This country consumes an enormous quantity of the articles forming the greater part of our imports from that Island. We can never meet the demand by home production, our soils and climates not being adapted to the most valuable of those products. The increase of our population and wealth would so augment the consumption of those commodities, already largely exported from some of the independent Spanish-American Republics, that though not maintaining the same ratio between exports and imports as now exists in our Cuban trade, which is surely undesirable, the ratio to their population of the value of the exports to us from all of the Spanish-American States would equal, if it did not far exceed, that of the exports of Cuba to us in proportion to its population, with this decided advantage to us, due to the arrangement herein suggested, that, instead of adjusting the balance of trade as with Cuba by the payment of specie, we should settle it by receiving specie, owing to the immense demand those countries would make upon us for our fabrics, machinery, &c. Cuba is of necessity the starting-point in our calculation, because it is the only one of the Spanish-American countries with which we have had for a sufficient period regular mail steam communication.

But the estimate is far less than the probable actual result. The growth of population from natural increase, and from immigration, with every branch of industry thereby stimulated, would greatly augment the foreign commerce of those countries.

Should the proposed Convention between the Spanish American States be concluded, it would be advisable, as has been suggested by some of them, to establish at Washington, under the auspices of the contracting powers, a bureau charged with the duty of collecting and preserving accurate information of all the countries embraced in the arrangement, and reporting thereon to the respective governments whenever directed so

to do, a full and detailed statement, showing the progress in industry, population, commerce and wealth due to the influence of the arrangement, and recommending such new features in its own system as experience may dictate. An arrangement of this character will do much toward opening the way for the establishment of lines of transport and frequent communication between this country and the Spanish-American States. These lines should, of right, receive subsidies from the countries interested in, and to be benefitted by, their establishment, which subsidies might be graduated in accordance with the population of the respective States.

The archives of this office would constitute a reservoir of valuable information, competent to supply the wants and guide the action of commercial men throughout the continent in all the international relations of trade.

With a reliable record of the statistics of supply and demand in all of the different American markets, the merchant would be at no loss in making up a cargo and choosing its destination, and purchasers would be furnished with the means of deciding where to procure, on the best terms, whatever commodities they might require. Capitalists, desirous of embarking in mining, manufacturing, or other enterprises, would here find the data requisite to enable them to determine judiciously the site of their operations; while inventors, engineers, and other men of skill and ingenuity, would be directed to appropriate and remunerative fields of labor. It is believed that such a medium of intelligence would meet a want which has been long and seriously felt by commercial men, and that it would prove an invaluable aid and stimulus to profitable intercourse between the ports of the different countries.

Enjoying the facilities for investigation which would be afforded its agents by the several governments under whose countenance and authority they would prosecute their inquiries, the Bureau would be incomparably superior to any private system which could be devised. Free, too, from any bias of personal interest, its testimony could be appealed to with absolute confidence in its truth.

To crown this plan with success, it would seem to be necessary that all the nations concerned should co-operate in the promotion of commercial intercourse. The benefit to accrue therefrom to the United States will of course be proportioned to their relative commercial importance. The peculiar merit of this measure is, that it is at once conservative and progressive; being a middle course between two extremes. Eminently a peace measure, it will at the same time fully vindicate our national honor, and result in great political and pecuniary advantage.

This seems to be a favorable time for its adoption; for it will meet the wishes of a large majority of our own people, receive the cordial support of the other independent powers on the American Continent, and will constitute an irreversible establishment of the "Monroe Doctrine" as the law of nations for the western world. It is well known a similar plan, just forty years ago, had the approval of some of our wisest statesmen, who enjoyed in an eminent degree the confidence of the people. But "the fullness of time" had not come. The proposition had to encounter the strength of our Southern slave-holding interests then in the pride of their power, and exceedingly sensitive of the approach of any influence that would possibly affect their social system. The grounds of their opposition, apart from technical objections, were mainly that no occasion had arisen demanding an American Combination to meet a European Coalition, and that many of the Spanish-American States had, by constitutional provision, prohibited slavery and admitted as citizens people of African descent.

Nevertheless, despite the magnitude of the interest thought to be endangered, and the great political influence exerted to uphold it in opposition to the measure, such was the popular sympathy with the views of the Government, then led by John Quincy Adams, President, and Mr. Clay, Secretary of State, with the support of Mr. Webster in the legislative branch, that the Senate confirmed the nomination, and the House of Representatives appropriated the outfit and salaries of

ministers to the "Panama Congress," through popular pressure, against the weight of the personal influence of the great political leaders in Congress. And yet the "Slave Interest" prevailed, through the delays, in a large part due to the long discussion of the "Panama Mission." The influence of the same interest thenceforward restrained our Government from cultivating the necessary commercial intercourse with the Spanish-American States, and virtually drove them with their profitable trade into closer relations with Europe. In corroboration of this last statement, we take the liberty of quoting again from Mr. Tobey's able report. He says:—

"England now exports annually to Brazil thirty-two millions of dollars' worth of its products, against only ten millions imported from there, leaving a balance in favor of England of twenty-three millions. In 1859, exports from the United States to Brazil were six and a quarter millions of dollars, *nearly half of which was in flour*, and our imports from there twenty-two and a half millions of dollars, leaving a balance to be met in our settlement of exchange, and paid for in England, in gold. The products exported from the port of Boston to Brazil formerly amounted to a million of dollars, and it has now fallen to less than two hundred thousand dollars. We cite this fact, as one of many, to show the intimate relations between commerce and the export of the products of the country. Does it not clearly show, that facility of transportation by steam largely stimulates the exports of a country to distant markets?

"It is this well-devised system of subsidized steam commerce, persistently pursued by England for nearly forty years, which has transferred the great bulk of transportation of valuable merchandise, of specie, first-class passengers and mails, from American vessels to a foreign flag; *for, previous to the war, not a successful line of American steamships was running between the United States and England, and to-day the American flag is not borne across the Atlantic by a single American-built steamship.* Our diplomatic agents and Government despatches must be conveyed under a foreign flag. But while American steam commerce has thus been driven from the Atlantic by our subsidized and otherwise favored rivals, England and France, it is an important and striking fact, that American-built sailing vessels, *without Government aid in any form*, were enabled to compete with

foreign sailing vessels in the carrying trade in every part of the world; taking guano from the islands of the Pacific to fertilize the soil of England, and transporting the products of China and of India directly in successful competition with British sailing vessels into London docks,"

It is well known that the slave holding power in this country prevented the recognition by our Government of Hayti and Dominica, the former of which countries was excluded from our acquaintance for fifty years after the achievement of its independence, and the latter from the year 1824 until 1866.

Some of the most powerful opponents of the Mission to Panama, and notably Mr. Benton, declared that if the occasion should ever come for a practical application of the Monroe doctrine, we should not only make common cause with the Spanish-American States, but take their lead, and oppose with the whole strength of the country the forcible intervention of a European power, or combination of powers, in the internal affairs of any of those States, viewing any attempt to control their destiny as necessarily endangering the peace and safety of the United States.

The commercial class of our population, always the first to perceive the approach of any danger touching their interests, foresaw a recurrence of European combinations to reconquer Spanish-America and control its commerce, one such design while yet in embryo having been thwarted by the bold position taken by Mr. Monroe.

Their fears have been verified most remarkably, not only by our own diminished trade with those countries, but by the political interference, lately defeated in Mexico; the diminished trade, however, having preceded armed interference, inasmuch as the arts of diplomacy, taking advantage of our indifference, paved the way for the employment of force.

The people of the United States will readily see the benefits to be derived from a plan the accomplishment of which will open this ample field for enterprise, and create a

new and ever-growing demand for the products of their genius and industry, at once bringing to them riches, of which no adequate conception can be formed, and relief from the taxation now burdening every interest in the country.

The people of the Spanish-American States will hail with delight the advent of peace. They will be incited to greater energy by the promise of comfort and luxury from the increased production of their lands and mines, and the wealth with its whole train of enjoyments, to flow in upon them from a rich foreign trade. They will more carefully practise frugality when every citizen shall be secure in the possession of the fruits of his labor, and will become more and more ambitious of accumulating wealth in proportion to the pride and pleasure awakened by the contemplation and experience of all the forms of an improved social life.

They will learn that the means of comfort and enjoyment can be procured by exchanging with us their products for our manufactures, without the impoverishing effects of their present system of paying for their imports in large part with the precious metals, leaving but little in the form of currency and capital to stimulate industry, and provide improved facilities for internal trade. Then they will keep at home much of their silver and gold, converting it into fixed capital and a circulating medium, which will infuse new life into every branch of business, and enable them to cover their broad territory with railways and telegraphs, and to build up a permanent prosperity in a lucrative, domestic and foreign trade, both to their own and our advantage.

The Governments of those countries would reap the first fruits of the benefits of an alliance between themselves, and a more intimate relationship with the United States, in a ready sale of their bonds. An assurance of peace at home would be, to them, an assurance of credit abroad, for peace would be a guarantee of prosperity. Such is the fame of the native opulence of those regions that the promise of a tranquil future, consecrated to labor under the guardianship of law, would immediately attract attention to their public securities,

and create a new demand for surplus capital. The proceeds of these loans, employed, as they would be, in stimulating improvements through aid afforded to various private enterprises, would call into existence other securities inviting further investment.

The impetus which would be given to mining, under the influence of greatly augmented means and the employment of scientific and skilled labor and improved machinery, where the material is perhaps richer and more abundant than in any other quarter of the globe, and where the precious metals are in such purity, as not to require expensive processes to eliminate them from their ores, should, of itself, in the certainty and value of its results, be a sufficient inducement to enlist in behalf of this arrangement the earnest efforts of all the leading men throughout the American Continent.

The natural products of forests, unparalleled in wealth of raw material for the arts both of useful and elegant life—including particularly inexhaustible supplies of ship timber, drugs, dye woods, mahogany, India rubber, etc.,—would present a field for industry and trade scarcely less inviting than the mines. These forests would furnish a congenial pursuit for a large and enterprising class of people in the United States and in Europe, who, possessed of both means and energy, would bring to their new homes an element of wealth highly desirable in the view of statesmen and patriots, looking to the establishment of their country's prosperity as much in the character and productive power of immigrants as in their immediate contributions to capital. The traffic arising from the working of both mines and forests would greatly swell the volume of the foreign commerce of all those countries. These are simply among the prominent sources of wealth which would be largely and most favorably affected by this system of international co-operation.

The policy herein advocated, as auxiliary to the general American policy is submitted to the people with greater confidence from its entire conformity with the firm and dignified, yet moderate and pacific course hitherto pursued

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by the Government in the conduct of our foreign relations. It is presented with the hope that it may aid in the peaceful solution of the political problem now to be worked out and settled, as a decree to be observed in future by all nations, and with entire faith in its ability, if fully established, to bestow much larger benefits upon the United States, and the other countries embraced in the arrangement, than they have realized from the commercial treaties now regulating the trade of this continent with all the world.

Apart, however, from material results, it is a matter affecting our pride and dignity as a nation, and within the province of our mission, to insure the peaceful triumph of our principles, and, against the assumed prerogative and authority of any European association of monarchs to govern either with or without the consent of the people, to prove our ability to uphold, by diplomacy, as we have done by arms, the supremacy of the rights of man, whose defenders, the world over, have caught from us their inspiration, and could not long maintain their ground were they not cheered by our success and shielded by our power.